

United States Department of the Interior
Bureau of Safety and Environmental Enforcement
Investigations and Review Unit

Memorandum of Interview

DATE: December 18th, 2012

SUBJECT: Race ADDINGTON, employee of Stokes & Spiehler, 110 Rue Jean Lafitte, Lafayette, LA 70508. Contracted by Energy Resource Technology (ERT) Helix Energy Solution Group 400 North Sam Houston Parkway, Houston, TX 77060.

At approximately 15:08 hours on Thursday, December 6, 2012, (b) (7)(C) and (b) (7)(C) of the Investigations and Review Unit (IRU) met with ADDINGTON who was identified by his Texas operator's license at the Bureau of Safety and Environmental Enforcement (BSEE) Houma District Office located at 3866 LA-56, Houma, LA, 70363. Prior to that time, ADDINGTON had a telephone conversation with (b) (7)(C) during which he agreed to voluntarily meet with the IRU investigators. At the interview, ADDINGTON was advised that he could stop the interview at any time.

ADDINGTON explained that his telephone number was (b) (7)(C), and his email address was (b) (7)(C). ADDINGTON stated he had approximately twenty seven years of experience combined with inland and offshore oil industries estimating that more than half of his experience was offshore related.

ADDINGTON detailed his experience starting in 1985 when he began working for OTIS as a slickline operator until 1993. ADDINGTON said he continued working as a slickline operator from 1993 until 2000 for Halliburton spending the last two years of that period working overseas in Algeria. From 2000 until 2003 ADDINGTON relayed that he worked for Superior Energy conducting deep-water supervision. From 2003-2007 ADDINGTON said he worked for Quality Engineer Services. From 2007 until present ADDINGTON works through Stokes and Spiehler as a self-employed contractor performing well site supervision for ERT. ADDINGTON said he currently possesses a valid boat captain's license.

ADDINGTON explained the duties of a company man / well site supervisor / person in charge (PIC) for ERT include; coordinating crews and equipment, supervising location activities, processing paperwork, conducting safety meetings and job safety analysis (JSA), and overall site supervision and coordination with production operations. ADDINGTON said his position was lateral in responsibility to the production foreman adding that (b) (7)(C) relieved (b) (7)(C) during the middle of his tour of duty.

ADDINGTON said operations were typically 24-hours per day, and consisted of two 12-hour shifts; one from 06:00 hours to 18:00 hours (day) and one from 18:00 hours to 06:00 hours (night). ADDINGTON stated he was the lead supervisor assigned to day shift, and (b) (7)(C), the night shift supervisor, reported to him.



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ADDINGTON explained that he arrived at Ship Shoals 225 on approximately November 28th, 2012¹ and completed his rotation on December 3rd, 2012 returning to shore on December 4th, 2012. During that time ADDINGTON said he received (6) Incidents of Non Compliance (INC)². (1) INC he stated was issued for not having a subsurface safety valve (SSV) shut in while conducting hot work within 10 feet of a producing well bay. ADDINGTON said he thought three or four of the INC's were issued for Blowout Preventer (BOP) compliance violations. ADDINGTON said these were the first INC's he had ever been issued in his career.

Hot Work

ADDINGTON explained that on November 26th, 2012 the Chet Morrison crew (day) shift was performing cold work until dinner time at which point he decided to change over to hot work. ADDINGTON stated he made the decision to perform the hot work at approximately 4:00 -5:00 p.m. He stated that his (day) shift made little progress and broke numerous saw blades, which led to his decision to start hot work on well #4 which was subsequently performed at approximately 2200-2300 hours. ADDINGTON stated that (b) (7)(C) was the (night) shift supervisor and during that shift Kenneth JOHNS (Chet Morrison Supervisor) informed (b) (7)(C) that his guys felt uncomfortable about a 3,000 psi pressure reading on a pressure gauge in relation to the flowing well in the well bay area where hot work was being conducted. ADDINGTON said he directed (b) (7)(C) to, "Tell them to stay away." ADDINGTON stated he watched the hot work being performed during (b) (7)(C) shift because he was a "hands on person." ADDINGTON stated that no hot work was conducted prior to the cold work assignment on the wellhead bolts.

ADDINGTON explained that his interpretation of stop work authority was, that something was actually unsafe, or an individual lacked experience causing them to feel unsafe. ADDINGTON said, "If I stopped work every time they feel it's unsafe nothing would get done." ADDINGTON stated his safe vs. unsafe determination relied upon whether the activity being questioned conformed to company permitted regulations and guidelines.

ADDINGTON explained that he interpreted regulations to restrict hot work operations within 10 feet of a producing well adding that he estimated the hot work was being conducted approximately 15 feet from the well that was active, therefore he thought it was permitted, and based upon that determined the hot work to be safe.

ADDINGTON explained that he did not inform the production supervisor that hot work was being conducted because it was late at night and he did not feel the need. ADDINGTON stated he chose (b) (7)(C) , who was the well head technician, to perform the hot work. The Chet Morrison Crew was on stand by while (b) (7)(C) was performing the hot work. ADDINGTON stated that he held a safety meeting the next morning with the guys explaining that if they were not comfortable then just stay away from it.

ADDINGTON said a second hot work job was performed on November, 28th, 2012 during the day time. During this job, ADDINGTON stated that he stood firewatch, but (b) (7)(C) utilized the gas detector while cutting the well bolts on wells #3, #5, and #6. ADDINGTON said he filled out the hot work permits and that a green fire

¹ ADDINGTON was unsure of his arrival date.
² INC's documented on BSEE Form(s) BSEE-1832.



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resistant "tarp" was wrapped around the well vertically. ADDINGTON said that two separate hot work permits needed to be completed, and that the completed hot work permits would be placed in the well file on site and held until the end of the job when they would be sent to Houston, TX.

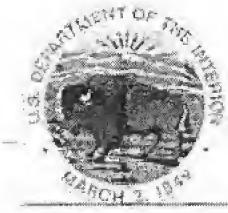
BOP

ADDINGTON explained that multiple INC's were issued for BOP related violations and attributed the violations to a "lack of experience," and a, "misinterpretation of the rules." ADDINGTON said the Chet Morrison Crew was assigned to assist with well work completion, and that they were a plug and abandonment company. ADDINGTON further explained that even though they were certified to do the BOP work, in his opinion, the certifications were a joke, impossible to fail, and required no hands on training. ADDINGTON said he felt as if, "we were set up for failure." ADDINGTON said the pressure tests usually conducted by Chet Morrison Crew were cement plug tests which allow a 10% drop in pressure, however they were working on a BOP and the regulations did not allow for 10% a pressure drop.

ADDINGTON said the BOP test was conducted on November 26, 2012, during the night shift. No BOP testing was conducted during the daytime shift. The BOP test was completed on November 26th, 2012 over an estimated period of six hours ending between 2300 and 2330 hours. ADDINGTON stated the test consisted of (1) high and (1) low pressure test, for (7) components, for a combined total of (14) tests documented on one chart. ADDINGTON said the Chet Morrison crew started pulling the pipe after completing the BOP test because they thought the test was passing. ADDINGTON stated that he observed the chart for the BOP test when he awoke on November 27th, 2012 the chart looked like, "crap," (even though he believed it was a passing chart) and ordered a "function" test. ADDINGTON stated that the "function" test was to test the chart recorder to ensure that the recorder was functioning properly. He used a known source of pressure which he explained utilized a small pump hooked directly into the chart recorder. ADDINGTON said during the "function" test, the chart still recorded a drop in pressure within the 10% range. ADDINGTON said he got a smaller pump and used a different chart recorder. ADDINGTON explained that he ordered a new pump and chart recorder and that the new equipment was not used until after BSEE inspected on November 29th, 2012. ADDINGTON stated he ordered the pump and chart recorder on November 27th, 2012.

ADDINGTON explained that when BSEE conducted an inspection on November 29th, 2012 there were two charts in the file which BSEE inspected and that he did not inform BSEE which chart was the function test because BSEE inspectors should be able to tell the difference by looking at it. ADDINGTON stated he did not think he signed the function test chart adding that the Chet Morrison crew might have signed it.

ADDINGTON explained while the facility was shut in post BSEE inspection he conducted BOP training for the staff.



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Swivel Employees

ADDINGTON explained on November 28th, 2012 that he instructed the tong operators, (b) (7)(C) and (b) (7)(C), to rig up the basket adding that it was windy and the boat was rocking side to side. ADDINGTON said after 3 days of sitting around while he was paying \$100,000 a day for the job he finds out it cannot be completed because of an equipment issue that (b) (7)(C) should have noticed earlier. ADDINGTON said (b) (7)(C) was upset with the Swivel employees and shut down the tong operation from midnight until the boat came with the replacement personnel and equipment they had ordered.

ADDINGTON estimated that it was approximately midnight when the facility was shut in, and that the equipment and the new crew arrived the next day at approximately 5:30 p.m. He explained that while the Swivel employees were changing over he overheard (b) (7)(C) talking to (b) (7)(C) and another employee, both of whom arrived with the crew shift. ADDINGTON stated that he was approximately 10 feet away from (b) (7)(C) during their conversation, and heard (b) (7)(C) tell them that the operation was unsafe and that "I'd shut down if I were you." ADDINGTON confronted (b) (7)(C) and told him (b) (7)(C) that it was not right that he was talking to the new crew about the situation, and that (b) (7)(C) was insinuating his opinion to guys that haven't been able to determine themselves whether or not something was unsafe. ADDINGTON stated that he contacted (b) (7)(C) company on the 29th or 30th and explained the situation.

ADDINGTON did not know (b) (7)(C) last name